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CENTRAL INTELLIGENCE AGENCY
OFFICE OF NATIONAL ESTIMATES

3 June 1957

STAFF MEMORANDUM NO. 30-57

SUBJECT: O/NE Consultants' Conference, May 22-23, 1957

1. Participants:

Consultants

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CIA Representatives

Allen W. Dulles

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2. Agenda:



Morning session, 23 May

MEMORANDUM FOR THE CONSULTANTS: QUESTIONS CONCERNING
THE IMPLICATIONS AND CONSEQUENCES OF NUCLEAR DEVELOPMENTS
IN THE EUROPEAN AREA, 17 May 1957.

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Morning session, 23 May

Subject: Memorandum for the Consultants: Questions Concerning the Implications and Consequences of Nuclear Developments in the European area, 17 May.

Summary:

Discussion of the likelihood of fourth power production of nuclear weapons brought out agreement that it would be difficult or impossible to conceive of the smaller powers signing away their right

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to produce nuclear weapons because of the implications of such an act for their sovereignty and independence. Consideration was given to factors influencing a favorable attitude on the part of smaller powers toward some system by which they could rely upon their larger allies for nuclear defense assistance or the provision of nuclear weapons in time of need, but it was believed the question of independence and practical problems of control of a nuclear weapons pool would create very great difficulties. The question of the Soviet reaction to the acquisition of a nuclear weapons capability by a fourth power provoked a variety of opinions, though it was generally felt that the increase of the imponderables in the situation that would result would probably be a net disadvantage to the Soviets. On the question of Soviet policy on disarmament, it was proposed that the Soviets would probably accept a limited disarmament agreement, which would give them the opportunity to concentrate their resources on weapons development in certain new fields, and accept an inspection zone covering Eastern Europe which their present strategy does not contemplate using for staging or weapons sites. ██████████ said that he could not conceive of a disarmament plan which would not be advantageous to the Soviet Union.

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Highlights of discussion:

25X1A5a1 [redacted] introduced the discussion. [redacted] raised the question of the effect of a disarmament agreement among the major powers upon the interest of smaller powers in the acquisition of nuclear weapons capability. The consensus was (a) that a disarmament agreement would almost certainly confirm the three-power monopoly of nuclear weapons and (b) that the small powers would almost certainly not agree to being dependent upon the great powers for nuclear weapons, particularly in a situation in which nuclear weapons were considered to be the only means of defense. [redacted] argued that the basic question would be that of national sovereignty and that in the existing state system the European states would probably seek to develop the capability to produce their own nuclear weapons. [redacted] pointed out that reasons still existed for small nations to rely on great powers for nuclear weapons, of which the financial side and the difficulty of carrying out tests in most countries were the most important. [redacted] pointed out that one of the principal reasons for British interest in relying on nuclear weapons for defense was the belief that it would be economical.

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[redacted] explored the practical problems involved in running a nuclear weapons pool. He suggested that European control of a stock

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of nuclear weapons ~~was~~ ^{25X1A5a1} equivalent to possession of such weapons by national units. [redacted] expressed the opinion that European control of a nuclear weapons pool under a two-thirds rule would probably insure that the weapons would never be used.

On the question of the Soviet reaction to the spreading of nuclear capabilities [redacted] said that the possession of nuclear capabilities ^{25X1A5a1} by additional nations increased the imponderables in the situation. [redacted] suggested that the onus attached to nuclear capabilities would be spread around among other nations and thus take some ^{25X1A5a1} of the pressure off the US. [redacted] argued that the spreading of nuclear capabilities among the members of the Western alliance would increase the risk of a major nuclear war, but others expressed ^{25X1A5a1} the opinion that the net disadvantage would be to the Soviets. [redacted] summed up with the proposition that the Soviets would be relatively little alarmed by the development of nuclear capabilities by one additional nation; they would not be much alarmed by a nuclear weapons pool with a European control system which might well be paralyzed in a crisis; but that they would be really alarmed by a European SAC.

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On the question of Soviet policy on disarmament [redacted] said that the Soviets were probably interested in partial disarmament schemes

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which would give them an opportunity to improve their weapons position relative to that of the US by going ahead with development in permitted areas. He said that they would not be interested in disarmament schemes which would not work to their advantage. He said that the Soviets were capitalizing on the hold-over of post-war fear of a Soviet overland movement from the Satellites into Western Europe, by proposing to accept aerial inspection in Eastern Europe. However, in actual fact their strategy now involves a plan to jump over Eastern Europe to neutralize West Europe as a base for US forces so that admitting aerial inspection of Eastern Europe involves no sacrifice. What the Soviets would like to do is encourage a psychological and political climate favorable to disarmament while they go ahead to develop new weapons.

Afternoon session, 23 May

Subject: NIE 31-57: YUGOSLAVIA'S POLICIES AND PROSPECTS.

This meeting was chaired by the DIRECTOR. The first portion was devoted to a discussion of means of improving the estimative process and its end product. This discussion has been reported in a separate Memorandum. (Staff Memorandum No. 29-57) The rest of the session was devoted to a consideration of the 21 May draft of NIE 31-57.

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Summary:

Discussion turned primarily upon the question of whether the draft gave adequate treatment to economic and social factors in the Yugoslav situation. It was pointed out that the conclusions left little room for any change in the Yugoslav situation. Several of the consultants mentioned the public discontent in Poland and Hungary which was at the basis of the profound upheavals in those countries and suggested that the approach employed in the present estimate was such as to give too little consideration to the possibility of a similar development in Yugoslavia. Board and Staff members responsible for the draft paper pointed out that the paper was not intended to be a study of the Yugoslav situation as a whole but was specifically directed to certain political problems, particularly the consequences of Tito's departure from the scene.

Discussion:

Topic A: Question of relative emphasis upon political and socio-economic factors

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[redacted] opened the discussion by observing that the paper stressed the political situation more than social and economic trends. He pointed out that there was nothing in the paper on the standard of living in Yugoslavia and nothing on the nature of the popular

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discontent. Such information, he observed, would have been of great importance in an estimate of the situation in Hungary or Poland before the recent upheavals in those countries.

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[redacted] pointed up the significance of the economic situation in Yugoslavia by saying that the Yugoslavs appear to face the present alternatives of (a) getting \$100 million in aid from the US, (b) going broke, or (c) going to the USSR for aid.

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[redacted] suggested that the US had been dealing with Tito in Yugoslavia for a long time and that there was a tendency reflected in this paper to work on the assumption that all decisions are made at the top in that country, whereas economic difficulties and political disaffection can lead to popular actions of decisive importance, as in Poland and Hungary. He pointed out that Yugoslavia may have been doing less well economically, even with US aid, than the Soviet satellites.

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[redacted] pointed out the difficulty of making such a comparison.

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[redacted] said that the conclusions did not give adequate emphasis to the factor of economic strain in the Yugoslav situation or to the degree of dependence upon economic aid.

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[REDACTED] explained that NIE 31-57 had been planned as a review of policies and prospects with special consideration of the consequences of the withdrawal of Tito from the scene and that the paper had not been planned or written as a complete review of all the factors in the Yugoslav situation.

Topic B: The downward economic trend in Yugoslavia and its political implications

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[REDACTED] pointed out the paper gave no explanation for the downward economic trend in Yugoslavia and suggested that the consultants address themselves to this problem.

No significant evidence or theory was brought forth in explanation of the current economic problems in Yugoslavia, though MOSELY said he believed that the Yugoslav government had recognized the situation and was beginning to be worried.

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[REDACTED] pointed out that the appearance of the Yugoslav public as observed by him seemed to belie the economic statistics and that he had noticed a great lessening of tensions and a new willingness on the part of Yugoslavs to meet and be seen with people like himself.

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[REDACTED] observed that the Yugoslav public was being weighed down by two factors: a Communist regime which is widely unpopular and the poverty of the country. If the government could do something

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about one of these factors it could probably reduce the strain on the public sufficiently to solve the political problem. He pointed out, however, that the paper indicated that the government was likely to remain rigid on both, thus indicating the uncertainty of its effectively controlling the situation.

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[redacted] expressed the opinion that the majority of Tito's party was so wedded to Communist doctrine that it is unlikely to understand and forestall impending difficulties.

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[redacted] said that the proposition that nothing can happen as long as the Communist Party in Yugoslavia remains monolithic is close to being true. However, he believed that with food scarcity and popular discontent widespread, a small rift in the party could produce a tremendous explosion.

Topic C: Suggestions for change.

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[redacted] proposed that the paper could not avoid dealing with the significance of events in Hungary in relation to the Yugoslav situation. He suggested that something be said about the events of the Hungarian crisis in relation to the declaration that followed the meeting in the summer of 1955 between Tito and the US Secretary of State.

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[redacted] suggested that alternative possibilities in the Yugoslav situation after Tito's removal from the scene are probably: (a) collective leadership following Tito's policies, (b) a Gomulka-type government, (c) a Hungarian type revolution, and (d) fragmentation and that they might be spelled out in the paper.

It appeared to be the consensus that the conclusions should not exclude so completely as they now do the possibility of unexpected developments in Yugoslavia.

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